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SUBJECT: GNU REIMBURSES GOSS \$52 MILLION FOR UNAUTHORIZED DEDUCTIONS  
FROM OIL REVENUE

REF: A) KHARTOUM 806

¶1. (SBU) SUMMARY: The Government of National Unity (GNU) has reimbursed the Government of Southern Sudan (GOSS) the equivalent of USD 52 million for unauthorized deductions from its share of oil revenues, as agreed to at the July 21 Trilateral talks in Washington. GOSS Petroleum Commission Director, Yousif Ramadan, provided documentation of the transaction to Econoff in a meeting on August 4. Ramadan also credited the Trilateral talks with opening the door for a team from the GOSS Auditor General to conduct audits at the GNU Ministry of Energy and Mining, Ministry of Finance, and Central Bank. With regard to the Permanent Court of Arbitration's July 22 ruling on Abyei, Ramadan noted that he and the rest of the Joint Technical Committee on Oil Accounts are still awaiting guidance from the parties on how to proceed. END SUMMARY.

¶2. (SBU) Meeting with Econoff on August 4, Ramadan stated that GNU has reimbursed the GOSS for unauthorized deductions from its share of oil revenue for the amount of 117.39 million Sudanese pounds (approximately \$52 million). He provided documentation that the funds, which had been deducted from GOSS' share of oil revenues to pay for national elections, were transferred on July 27. Ramadan said the issue was effectively resolved at the June 21 Trilateral Talks in Washington.

¶3. (SBU) Ramadan also reported that Juba has sent a team from the GOSS Auditor General to Khartoum to audit GNU offices dealing with wealth sharing: the Ministry of Energy and Mining, the Ministry of Finance and National Economy, and the Central Bank of Sudan. Ramadan stated that the GOSS auditors have been granted full access throughout, which he credited to high level instructions given following the Trilateral Talks.

¶4. (SBU) Asked about the impact of the July 22 PCA Decision on Abyei on oil revenue sharing, Ramadan reported that neither he nor the rest of the Joint Technical Committee on Oil Accounts have been given instructions on how to proceed. While the Joint Technical Committee meets regularly, Ramadan lamented that the National Petroleum Commission, the high level entity charged with reviewing contracts and otherwise providing transparency and oversight of the sector, is completely dormant. "I can't remember the last time they met," he remarked.

¶5. (SBU) COMMENT: Reimbursement of the elections funds is welcome news and further evidence of the ability of the Trilateral Forum to achieve tangible results. To our knowledge, neither party reached out to share this information proactively with either the Embassy or S/USSES, emphasizing the need for robust monitoring mechanisms to track all future progress emanating from the Trilateral talks. END COMMENT.

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